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July 5, 2001

Honorable Philip N. Asprodites
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Hosston Formation, Reservoir A, and Cotton Valley
Formation, Reservoir A, CASPIANA FIELD, Caddo,
DeSoto and Red River Parishes, Louisiana.

Dear Sir:

DEVON SFS OPERATING, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston Formation, Reservoir A, and to the Cotton Valley Formation, Reservoir A, in the Caspiana Field, Caddo, DeSoto and Red River Parishes, Louisiana:

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A, such unit being shown on an attached plat and being designated HOSS RA SU77.
2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such unit being shown on an attached plat and being designated CV RA SU71.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
4. To designate a unit operator of, and unit well for, the proposed additional units as may be appropriate.
5. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 191-B, effective April 15, 1975, as amended and supplemented by the Order No. 191-B series of Orders, to the proposed additional unit for the Hosston Formation, Reservoir A.
6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 191-A, effective February 15, 1975, as amended and supplemented by the Order No. 191-A series of Orders, to the proposed additional unit for the Cotton Valley Formation, Reservoir A.
7. To discuss such other matters as may be pertinent.

The Hosston Formation, Reservoir A, in the Caspiana Field, Caddo and DeSoto Parishes, Louisiana, is defined in Office of Conservation Order No. 191-B, effective April 15, 1975.

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The Cotton Valley Formation, Reservoir A, in the Caspiana Field, Caddo and DeSoto Parishes, Louisiana, is defined in Office of Conservation Order No. 191-A, effective February 15, 1975.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect such data should call Mr. Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

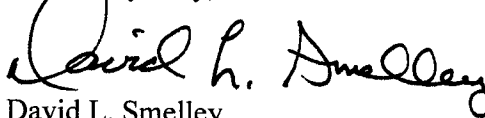
By letter dated June 22, 2001, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and a pre-application conference with respect to Applicant's proposals was tentatively scheduled for July 13, 2001. No request for the pre-application conference was received; therefore, no conference was held.

Attached hereto are plats outlining Applicant's proposed units, which plats are identical to the plats attached to the pre-application notice. Also attached hereto is a list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list is being forwarded only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. A reasonable effort was made to obtain a complete list of Interested Owners, Represented Parties and Interested Parties.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plats at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Caspiana Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose our check payable to the Commissioner of Conservation for the application fee.

Yours very truly,



David L. Smelley
Attorney for Devon SFS Operating, Inc.

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DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Clayton Harper (w/encls.)
Mr. Louis Gilbert (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plats only)

